APPENDIX C

THIS LIQUIDATION ANALYSIS PRESENTS INFORMATION FOR ALL REORGANIZED DEBTORS ON A CONSOLIDATED BASIS. PRIOR TO THE HEARING TO APPROVE THE DISCLOSURE STATEMENT, THE DEBTORS WILL REPLACE THIS LIQUIDATION ANALYSIS WITH A REVISED LIQUIDATION ANALYSIS THAT WILL INCLUDE SEPARATELY A LIQUIDATION ANALYSIS WITH RESPECT TO THE DELTA DEBTORS AND A LIQUIDATION ANALYSIS WITH RESPECT TO THE COMAIR DEBTORS.

LIQUIDATION ANALYSIS

Consolidated Hypothetical Liquidation Analysis for Delta Air Lines, Inc. and its subsidiaries[1] (UNAUDITED)

Book Value is based on Debtors' September 30, 2006 Unaudited Balance Sheet Data
($MM)

Notes	DIP Repayment	
	Consolidated Cash and ST Investments	$ 2,808
1	Less: DIP Repayment	(2,015)
	Remaining Consolidated Cash and ST Investments	$ 793

Assets

Notes		Book Value	Low: Estimated Recovery Value	Low: Estimated Recovery Rate	High: Estimated Recovery Value	High: Estimated Recovery Rate
2	Cash and ST Investments	793	793	100.0%	793	100.0%
3	Restricted Cash	1,021	-	0.0%	-	0.0%
4	Third-Party Accounts Receivable	999	389	39.0%	584	58.5%
5	I/C Pre-Petition Receivables	N/A	N/A	N/A	N/A	N/A
6	I/C Post-Petition Receivables	N/A	N/A	N/A	N/A	N/A
7	Fuel Inventory	125	119	94.9%	123	98.0%
8	Other Current Assets	928	86	9.3%	129	13.9%
9	Flight Equipment	11,547	6,011	52.1%	6,643	57.5%
10	Other Property and Equipment	1,824	194	10.6%	274	15.0%
11	Intangible Assets	296	672	227.0%	766	259.1%
12	Other Assets	1,133	142	12.5%	175	15.4%
	Total Assets / Proceeds	$ 18,666	$ 8,406	45.0%	$ 9,487	50.8%

Chapter 7 Administrative Claims

Notes		Low	High
13	Trustee Fees	(167)	(191)
14	Trustee's Counsel and Related	(107)	(156)
15	Wind-Down and Professional Fees	(150)	(256)
	Total Liquidation Costs	$ (424)	$ (603)
	Net Proceeds Available to Creditors	**$ 7,981**	**$ 8,884**

Estimated Recovery to Creditors

Notes		Low: Estimated Allowed Claim	Low: Estimated Amount Paid	Low: Estimated Recovery Rate	High: Estimated Allowed Claim	High: Estimated Amount Paid	High: Estimated Recovery Rate
	Net Proceeds Available for Secured Creditors		$ 7,981			$ 8,884	
16	Secured Claims	8,459	(7,981)	94.4%	8,459	(8,459)	100.0%
	Net Proceeds Available for Administrative and Priority Creditors		$ -			$ 425	
17	Total Administrative and Priority Claims	12,862	-	0.0%	12,682	(425)	3.3%
	Net Proceeds Available to Unsecured Claims		$ -			$ -	
18	Unsecured Claims	22,374	-	0.0%	21,484	-	0.0%

[1] This Liquidation Analysis should be read in conjunction with the accompanying Reservations, Assumptions and Notes.

A. Introduction and Reservations[2]

In connection with the Plan and Disclosure Statement, the following hypothetical liquidation analysis ("**Liquidation Analysis**") has been prepared by Debtors' management with the assistance of the Debtors' advisors. This Liquidation Analysis is for all the Debtors on a consolidated basis. Prior to the hearing to approve the Disclosure Statement, the Debtors will replace this Liquidation Analysis with a revised Liquidation Analysis that will include separately a liquidation analysis with respect to Delta Debtors and a liquidation analysis with respect to Comair Debtors.

This Liquidation Analysis should be read in conjunction with the Plan and the Disclosure Statement.

The Debtors, with the assistance of their financial advisors, have prepared this Liquidation Analysis for the purpose of evaluating whether the Plan meets the so-called "best interests test" under section 1129(a)(7) of the Bankruptcy Code. The Liquidation Analysis has been prepared assuming the Debtors' current Chapter 11 Cases convert to chapter 7 proceedings under the Bankruptcy Code on April 30, 2007 ("**Liquidation Date**") and their assets are liquidated. A chapter 7 trustee ("**Trustee**") would be appointed or elected to commence the liquidation of all of the Debtors' assets. To maximize recovery, the liquidation is assumed to occur over a 12 to 18 month period (the "**Wind Down Period**"). The Liquidation Analysis is based on unaudited book values as of September 30, 2006, and these values, in total, are assumed to be representative of the Debtors' assets and liabilities as of the Liquidation Date. Values associated with Non-Debtor Affiliates are contained within such assets and liabilities. However, the Liquidation Analysis does not include recoveries resulting from any potential preference claims, fraudulent conveyance litigation, or other avoidance actions.

Estimating recoveries in any hypothetical chapter 7 liquidation case is an uncertain process due to the number of unknown variables. Thus extensive use of estimates and assumptions has been made that, although considered reasonable by Debtors' management and their advisors, are inherently subject to significant business, economic and competitive uncertainties and contingencies beyond the control of the Debtors. THE DEBTORS MAKE NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF THE ESTIMATES AND ASSUMPTIONS OR A TRUSTEE'S ABILITY TO ACHIEVE FORECASTED RESULTS. IN THE EVENT THE CHAPTER 11 CASES ARE CONVERTED TO CHAPTER 7, ACTUAL RESULTS MAY VARY MATERIALLY FROM THE ESTIMATES AND PROJECTIONS SET FORTH IN THE LIQUIDATION ANALYSIS.

The Liquidation Analysis indicates the estimated values that would be obtained upon disposition of assets pursuant to a hypothetical chapter 7 liquidation, as an

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[2] Capitalized terms used but not otherwise defined herein have the meanings given to such terms in the Disclosure Statement to which this Appendix is attached.

alternative to continued operation of the business as proposed under the Plan. Accordingly, values discussed herein are different than amounts referred to in the Plan, which illustrates the value of the Debtors' business as a going concern.

In preparing the Liquidation Analysis, the amount of Allowed Claims have been projected based upon a review of scheduled Claims and all Proofs of Claims associated with pre-petition and post-petition obligations. Additional Claims were estimated to include certain post-petition obligations on account of which Claims have not been asserted, but which would be asserted in a hypothetical chapter 7 liquidation. These potential Claims are primarily comprised of unused tickets, pension and related obligations, and lease and contract rejections including additional Administrative Claims relating to damages for breach of contracts and leases that were assumed during the Chapter 11 Cases. In the event litigation were necessary to resolve Claims asserted in a chapter 7 liquidation, the delay could be prolonged and Claims could further increase. The effects of this delay on the value of distributions under the hypothetical liquidation have not been considered. No Order or finding has been entered by the Bankruptcy Court estimating or otherwise fixing the amount of Claims at the estimated amounts set forth in the Liquidation Analysis. THE ESTIMATED AMOUNT OF ALLOWED CLAIMS SET FORTH IN THE LIQUIDATION ANALYSIS SHOULD NOT BE RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING, WITHOUT LIMITATION, ANY DETERMINATION OF THE VALUE OF ANY DISTRIBUTION TO BE MADE ON ACCOUNT OF ALLOWED CLAIMS UNDER THE PLAN. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THE CHAPTER 11 CASES COULD MATERIALLY AND SIGNIFICANTLY DIFFER FROM THE AMOUNT OF CLAIMS ESTIMATED IN THE LIQUIDATION ANALYSIS.

THE PROJECTED HYPOTHETICAL RECOVERY RANGE IN A CHAPTER 7 LIQUIDATION DESCRIBED HERE IS BASED ON CONSOLIDATED DEBTORS THAT INCLUDES DELTA DEBTORS AND COMAIR DEBTORS. FOR THE PURPOSES OF THE SO CALLED "BEST INTERESTS TEST," THE PROJECTED HYPOTHETICAL RECOVERIES WILL BE BASED UPON SEPARATE LIQUIDATION ANALYSIS OF THE COMAIR DEBTORS AND THE DELTA DEBTORS AND SEPARATE ESTIMATES OF ALLOWED CLAIMS AGAINST EACH. THE RECOVERIES WILL ALSO CHANGE BASED ON FURTHER REFINEMENTS OF ALLOWED CLAIMS AS THE DEBTORS' CLAIM OBJECTION AND RECONCILIATION PROCESS CONTINUES.

B. Assumptions and Notes

The Liquidation Analysis refers to certain categories of Assets, liquidation costs, and Claims. The following notes describe significant assumptions associated within each category.

1. ***DIP Repayment.*** In a liquidation scenario, the Debtors' debtor-in-possession lenders (including the DIP Lenders and Amex) ("**DIP Lenders**") would have a senior secured and joint and several super-priority claim ("**DIP Claim**") against

each of the Debtors for the outstanding balance of the debtors' post-petition debtor-in-possession financings (including the Amex Post-Petition Facility and the DIP Facility). The Liquidation Analysis assumes that the DIP Claim will be satisfied from the Debtors' Consolidated Cash and Short-Term Investments prior to the Trustee's use of the Debtors' liquidated assets to satisfy the remaining Claims .

Assets

2. ***Cash and ST Investments.*** This represents remaining cash and short-term investments following repayment of the DIP Claim as described in the DIP Repayment note. The estimated recovery for this asset is 100%.

3. ***Restricted Cash.*** This is primarily composed of cash collateral held by Debtors' credit card processors and cash collateral intended for workers' compensation claims. The Liquidation Analysis assumes that cash collateral held by credit card processors will be used to refund a portion of customers' unused tickets. In addition, the Liquidation Analysis assumes that workers' compensation deposits would be withheld to satisfy the Debtors' accrued workers' compensation liabilities and any remaining deposits would be retained by state agencies to insure potential workers' compensation claims that are not currently reflected in the Debtors' books and records. The estimated recovery for this asset is 0%.

4. ***Third-Party Accounts Receivable.*** Third-Party Accounts Receivable represents amounts owed to the Debtors by various parties, some of which have been offset against accounts payable for the purpose of the Liquidation Analysis. The remaining accounts receivable balance is estimated to have a recovery rate between 39% and 58.5%.

5. ***I/C Pre-Petition Receivables.*** This represents pre-petition intercompany amounts owed to the respective Debtor entity by other Debtor entities. The Liquidation Analysis is on a consolidated basis and ignores such receivables because consolidation results in the combination of all assets and liabilities of the Debtors.

6. ***I/C Post-Petition Receivables.*** This represents post-petition intercompany amounts owed to the respective Debtor entity by other Debtor entities. The Liquidation Analysis is on a consolidated basis and ignores such receivables because consolidation results in the combination of all assets and liabilities of the Debtors.

7. ***Fuel Inventory.*** This represents the Debtors' supply of aircraft fuel held at stations as well as prepaid fuel inventory. The estimated recovery for aircraft fuel is assumed to be between 94.9% and 98%.

8. ***Other Current Assets.*** Other Current Assets include items such as deferred income taxes, spare parts inventory, and various prepaid expenses. The

Liquidation Analysis assumes no recovery for deferred income taxes and prepaid expenses, and between 40% and 60% recovery for spare parts inventory. The aggregate estimated recovery is assumed to be between 9.3% and 13.9%.

9. ***Flight Equipment.*** This includes owned aircraft, engines, and rotables, as well as aircraft under capital lease. Estimated recovery values for owned aircraft and related items are based on recently appraised "orderly liquidation values." The Liquidation Analysis assumes that aircraft under capital lease would be rejected, yielding no recovery value. The aggregate estimated recovery is assumed to be between 52.1% and 57.5%.

10. ***Other Property and Equipment.*** This primarily consists of land, buildings, technology, miscellaneous ground and training equipment, and advance deposits on aircraft. Estimated recovery values for land and buildings are based on recently appraised "fair market values." Estimated recovery values for ground and training equipment are based on recently appraised "orderly liquidation values." The estimated recovery value for technology is estimated to be between 20% and 50% of current book value. The Liquidation Analysis assumes that there would be no recovery of advanced deposits on aircraft. The aggregate estimated recovery is assumed to be between 10.6% and 15%.

11. ***Intangible Assets.*** This includes international routes, domestic slots, trademarks, and the Debtors' customer database. This analysis relies on the Debtors' knowledge of the industry, as well as third-party appraisals, to value intangible assets. The book value of these intangible assets represents only the value of acquired assets; therefore, the estimated recovery value significantly exceeds the book value. The aggregate estimated recovery is assumed to be between 227% and 259.1%.

12. ***Other Assets.*** These include certain long-term investments, miscellaneous pre-payments, and additional restricted cash. The analysis estimates 100% recovery of certain long-term investments, 0% recovery of pre-payments, and between 40% and 60% recovery of other non-operating assets. The additional restricted cash within the Other Assets category receives the same treatment as described in the Restricted Cash note. The foreign operations of the Debtors represent an immaterial portion of the Debtors' business. Therefore, while foreign assets and liabilities are included in the Liquidation Analysis, a detailed evaluation of each foreign jurisdiction's laws as it relates to the recovery of assets and distribution of proceeds has not been performed. No assumption is made for the interest income that could be earned on liquidation proceeds being held prior to distribution. Such amounts would not materially alter the results of the Liquidation Analysis. The aggregate estimated recovery is assumed to be between 12.5% and 15.4%.

Chapter 7 Administrative Claims

13. ***Trustee Fees***. These include fees that would be payable to the Trustee by each Debtor in accordance with the section 326 of the Bankruptcy Code. Trustee Fees are estimated to be 2.2% of the total asset recovery value, excluding Cash and ST Investments.

14. ***Trustee's Counsel and Related.*** This includes fees and expenses incurred by the Trustee's legal and professional counsel associated with the wind-down of the Debtors' estates. These fees are estimated to be between 1.4% and 1.8% of the total asset recovery value, excluding Cash and ST Investments.

15. ***Wind-Down and Professional Fees***. This includes estimated expenses that would be incurred during the Wind-Down Period, including wages and benefits for employed personnel, aircraft storage costs, general overhead costs, and professional fees.

Claims

16. ***Secured Claims***. This primarily represents Claims secured by certain Aircraft Equipment. The Allowed Claim amount is equal to the liquidation value ascribed to the underlying collateral. Any debt that is not satisfied by the value of the underlying collateral becomes an unsecured deficiency Claim and is included in the estimated amount for Unsecured Claims.

17. ***Total Administrative and Priority Claims***. Prior to determining what proceeds would be available for general unsecured creditors under a chapter 7 proceedings, Cash and asset liquidation proceeds would be reduced in order to satisfy chapter 11 Administrative Claims, tax, and priority Claims that are senior to Unsecured Claims, including any incremental Administrative Claims that may result from the termination of the Debtors' businesses and the liquidation of their assets, including, but not limited to, Claims for unused tickets, post-petition contract rejection Claims, and post-petition lease rejection Claims. Any remaining Cash after satisfaction of these Claims would be available for distribution to general unsecured creditors in accordance with the distribution hierarchy established by section 726 of the Bankruptcy Code.

18. ***Unsecured Claims***. This includes PBGC's Claims for termination of all of Debtors' defined benefit pension plans (including the Delta Retirement Plan relating to non-pilot employees), aircraft deficiency claims, pre-petition contract rejection damages Claims, pre-petition trade payables and include estimates for incremental rejection Claims that would result from the liquidation of the Debtors' businesses. If the Debtors enter chapter 7 proceedings, the amount of Unsecured Claims would increase dramatically as the number of customers, vendors, and counterparties to contracts and leases is significant, and each such party could file Claims for damages. Such Claims would be pari-passu with the Debtors' current Unsecured Claims, would significantly increase the Claims

against the Debtors, and ultimately reduce the overall recovery to the Debtors unsecured creditors.